

ASSORE LIMITED
(“ASSORE” or “the Company”)

CODE OF CONDUCT
(the “Code”)

1. INTRODUCTION

- 1.1 ASSORE¹ is committed to a culture of ethical behaviour that requires the Board² to support and establish an ethical culture in the conduct of its business. [King IV, principle 2]
- 1.2 This Code is based on the ethical values of integrity, responsibility, accountability, fairness and transparency that underpin good corporate governance. [King IV, principle 1.1 ³]
- 1.3 The ethical standards set out in this Code must be integrated into ASSORE’s business strategies and operations. [King IV, principle 2.4]

¹ In this Code, the term “ASSORE” means the group as accounted for in the Company’s consolidated annual financial statements which, in terms of the accounting policies according to which those annual financial statements were prepared, includes:

- a) the Company itself; and
- b) the Company’s subsidiaries as defined in the Companies Act, 2008, per Annexure A, but excluding Minerals US LLC (partnership registered and operating in the United States of America, which has its own country-appropriate code).¹

² “Board” is the board of directors of Assore Limited

³ The King Code (“King IV” is located at [reference web/drive])

2. APPLICATION OF THE CODE

2.1 This Code applies, unless specifically stated otherwise or if the circumstances or context require otherwise, to all the:

2.1.1 ASSORE employees; and

2.1.2 all directors (executive and non-executive) of the Company and its subsidiaries all of

whom shall be collectively referred to as the “**Applicable Persons**”. Further, this Code confirms behaviour which is regarded to be acceptable or unacceptable, which may be the subject of disciplinary action in terms of the Disciplinary Code (refer Annexure B).

2.2 If any Applicable Person is in doubt about the application of this Code to them, he/she must discuss this with the person to whom they report, the Chief Executive Officer (“CEO”), or the Group Human Resources Manager, or in the case of mining operations, the General Manager of the relevant operation, as appropriate.

3. PURPOSE OF THE CODE

The purpose of this Code is to promote and encourage ethical behaviour within ASSORE and to prevent, report on and deal with instances of unethical behaviour. To this end, this Code sets out the ethical standards, rules and guidelines with which the Applicable Persons should comply. [King IV, principle 2.7]

4. COMPLIANCE WITH LAWS, REGULATIONS AND THE CODE

- 4.1 In addition to the requirement to comply with this Code and to the extent where substantially similar laws and regulations are not applied in countries other than South Africa, it is ASSORE's policy to comply with all the applicable laws and regulations of all the countries in which it operates. [King IV, principle 3, paragraph 12]. Applicable Persons should ensure that their actions meet legal compliance prior to the furthering of Assore's business.
- 4.2 All Applicable Persons should familiarise themselves and comply with the Company's Competition Law Compliance Policy. [King IV, principle 2, paragraph 7]. The Applicable Persons should accordingly endeavour to ensure that their conduct does not constitute or is not perceived to constitute a contravention of any applicable law. Any such contravention will not be tolerated and will be the subject of the application of the Disciplinary Code.
- 4.3 The Applicable Persons should accordingly endeavour to ensure that their conduct does not constitute or is not perceived to constitute a contravention of any applicable law. Any such contravention proven to be due to gross negligence will not be tolerated.
- 4.4 To this end, all Applicable Persons should comply with the Code. Accordingly, ASSORE must:
- 4.4.1 ensure that the provisions of this Code are communicated to all the Applicable Persons; and [King IV, principle 2, paragraph 7]
- 4.4.2 educate and train ASSORE employees on the ethical standards to which ASSORE commits itself in terms of this Code. [King IV, principle 2, paragraph 7c]
- 4.5 It is the responsibility of the Group Training and Development Manager to ensure that all new ASSORE employees are made aware of this Code and that the education and

training referred to in paragraph 4.4.2 is provided. Further, ASSORE should ensure that existing ASSORE employees acknowledge in writing that, having received a copy of this Code, that they have read and understood this Code. [King IV, principle 2, paragraph 8]

- 4.6 As an example, it is noted that the Company's Competition Law Compliance Policy Document has been prepared to make the Applicable Persons aware of the provisions of the Competition Act No. 89 of 1998 and to provide the education and training contemplated in paragraph 4.4.2.

5. CONFLICT OF INTEREST

All the Applicable Persons must perform their duties and functions honestly and in the best interests of the Company and should not place themselves in a position which would result in a conflict or perceived conflict between their personal interests and the interests of the Company, provided that in certain instances, such conflicts of interest may exist or arise, in which event such conflicts must be disclosed and dealt with in accordance with the relevant policies of the Company, and applicable laws and regulations, as the case may be. [King IV, principle 7.8 and 25 (in relation to directors)]

5.1 Outside activities, employment and directorships

- 5.1.1 Although ASSORE employees are entitled to participate in religious, charitable, educational and civic activities within their communities, they must avoid participating in any activities which would:

- (a) consume their time, attention and energy to such an extent that their ability to carry out their responsibilities or perform their functions within ASSORE is adversely affected; or
- (b) result in a conflict of interest as contemplated in this paragraph 5.

5.1.2 No ASSORE employee may be employed by any person other than ASSORE without the prior written approval of the Group Human Resources Manager, or in the case of mining operations, the General Manager of the relevant operation, as appropriate.

5.1.3 ASSORE employees may not hold outside directorships of companies conducting ongoing commercial activity without having obtained the prior written approval of the Assore CEO.

5.2 Gifts, hospitality and favours

5.2.1 Conflicts of interest may arise where ASSORE employees are offered gifts, hospitality or other favours which may, or could be perceived to influence their judgement in relation to business transactions concluded by ASSORE.

5.2.2 No ASSORE employee may accept gifts, hospitality or other favours from suppliers of goods or services or from any person with whom ASSORE has a business relationship in return for any kind of preferential treatment, business, contract or favour offered by such ASSORE employee acting on behalf of ASSORE. In the event that exorbitant gifts are received, these are to be returned to the provider of the gift(s) in question, with a letter of regret, accompanied by an extract of the relevant section of this policy. Where it is either impractical for the return of the gift to be effected, or such action may be damaging to customer relationships, the gifts are to be kept at ASSORE's premises.

5.2.3 However, acceptance of the following will not be considered to be a contravention of this paragraph:

- (a) advertising items of limited commercial value such as pens, diaries or calendars;

- (b) occasional business entertainment such as lunches, cocktail parties or dinners where attendance is not relatively selective ;
- (c) occasional personal hospitality such as tickets for sporting, entertainment, recreational or other events, provided that the cost of travel and accommodation in relation to such events is borne by the recipient of such hospitality; and
- (d) minor gifts of limited commercial value.

Benefits described in (a) and (d) above are subject to the fulfilment of the procedures required and the value limit contained in the “Declaration of gifts” form (Annexure C). These completed forms are to be maintained by the HR department, who are required to maintain a central register of gifts. ASSORE employees are required to obtain prior approval of their direct managers for benefits and events described in (b) and (c) above. In the event that the direct manager is not available for such approval, such approval is to be obtained from the manager’s manager.

5.3 Solicitation of Sponsorships, donations or gifts

5.3.1 No ASSORE employee may solicit sponsorships, donations or gifts for any charitable or other similar cause from any supplier or customer of ASSORE without the prior written approval of the Human Resources Manager. Such approval shall not be granted in circumstances where the ASSORE employee may be perceived as holding a position in ASSORE of such a nature that the supplier or customer concerned may feel, in any way, obliged to provide the sponsorship, donation or gift or that the sponsorship, donation, or gift would, in any way, benefit the supplier or customer concerned or be to its advantage in its business relationship with ASSORE.

5.3.2 Where an ASSORE employee has been given the approval referred to in

paragraph 5.3.1, such employee must make it clear to such supplier or customer that the approach for a sponsorship, donation or gift is not on behalf of ASSORE and that the supplier's or customer's relationship with ASSORE will not be affected by its response to the ASSORE employee's approach.

5.4 Relationships with customers, suppliers and contractors

5.4.1 ASSORE recognises that the ASSORE employees' relationships with customers, suppliers (including service providers) and contractors may give rise to actual or perceived conflicts of interest.

5.4.2 In this regard, ASSORE employees must ensure that they act independently and are seen to be independent from any business entity which has a business relationship with ASSORE or which provides goods or services to or purchase products from ASSORE. [King III, principle 1.3, paragraph 42]

5.4.3 ASSORE will not conduct business with customers who are located or domiciled in countries that appear on its sanction lists (refer Annexure E), whether directly, or through its agents.

5.4.4 ASSORE will only make use of suppliers of goods and services who are reputable. ASSORE employees are required to undertake reasonable efforts to ensure that these suppliers are not located or domiciled in the countries referred to in paragraph 5.4.3. In the event ASSORE employees become aware of a situation with regard to its suppliers that would result in a contravention of this paragraph, the respective manager should be advised of the situation immediately, following which the appropriate action should be taken.

5.5 Personal investments

5.5.1 ASSORE acknowledges that all ASSORE employees have the right to make

personal investment decisions as they see fit, provided that these decisions do not contravene the conflict of interest provisions set out in this section of this Code or any future policies or procedures established by ASSORE or any applicable laws.

5.5.2 ASSORE employees may not make investments for their personal gain:

5.5.2.1 in any business entity with which they have a close business relationship by virtue of their office held in or their employment by ASSORE, providing that shares in Assore Limited purchased or sold are conducted in accordance with the requirements as contained in the document "DEALINGS IN SHARES BY DIRECTORS AND EMPLOYEES" (Annexure D) and these transactions are not conducted within closed periods²; or

5.5.2.2 which may adversely influence their judgement or decisions in carrying out their responsibilities to ASSORE.

6. UNETHICAL AND IMPROPER CONDUCT INVOLVING ACTIVITIES RELATED TO ASSORE

6.1 Anti-bribery and anti-corruption

6.1.1 No Applicable Person shall engage in or tolerate, any corrupt or dishonest practice such as bribery. It is unacceptable to directly or indirectly offer, pay, solicit or accept bribes in any form.

6.1.2 No Applicable Person shall directly or indirectly request, accept, offer or grant an advantage in connection with a business transaction or other activity,

² "Closed period" is the period from the date of the closure of a financial reporting period up to and including the date the financial report in relation to this reporting period is made public.

especially in the negotiation or performance of obligations under a contract, regardless of whether the other party or potential party to the contract is an individual, a company or a government department or government-related or controlled entity.

6.1.3 No Applicable Person shall make or accept any payment or “kickback”, or offer or accept an improper financial advantage to or from, as the case may be, an official of a government department or government-related or controlled entity for the purpose of obtaining a permit, authority, services or any tender, contract or business.

6.1.4 Every Applicable Person must report any suspected commission of an act of bribery or corruption in terms of section 34(1) of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 (refer <http://www.acts.co.za/prevention-and-combating-of-corrupt-activities-act-2004/index.html>) in accordance with the procedure set out in paragraph 14 of this Code.

6.1.5 Applicable Persons should familiarise themselves and comply with the anti-bribery and anti-corruption provisions of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 and any other applicable law not specifically mentioned in this Code. [King IV, principle 3, paragraph 12]

6.2 Anti-money laundering

6.2.1 Any participation in money laundering activities will not be tolerated.

6.2.2 The Applicable Persons should familiarise themselves and comply with the applicable anti-money laundering provisions of the Financial Intelligence Centre Act No. 38 of 2001 (refer <http://www.acts.co.za/financial-intelligence-centre-act-2001/index.html>), the Prevention of Organised Crime Act No. 121 of 1998 and other applicable laws (refer <https://www.acts.co.za/prevention-of->

[organised-crime-act-1998/index.html](#)). [King IV, principle 3, paragraph 12]

6.3 Facilitation payments

6.3.1 No Applicable Person may pay or receive facilitation payments in relation to the sale, purchase or other transaction to which ASSORE is a party.

6.3.2 Applicable Persons should familiarise themselves and comply with the provisions of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 and other applicable laws which regulate facilitation payments. [King III, principle 6.2, paragraph 13, principle 6.4, paragraph 20]

7. **EMPLOYMENT EQUITY**

7.1 The objective of ASSORE's Employment Equity practices is to achieve equity across race and gender in the workplace through the elimination of all forms of harassment or unfair discrimination and the implementation of affirmative action measures.

7.2 All ASSORE employees have the right to work in an environment which is free from any form of harassment or unfair discrimination based on race, ethnicity, colour, gender, sexual orientation, nationality, place of origin, citizenship, creed, political persuasion, age, marital or family status or disability. ASSORE employees must report any cases of actual or suspected harassment or discrimination in accordance with the procedures set out in paragraph 14 of this Code.

7.3 ASSORE employees suffering illnesses or disabilities may continue to work provided that they are able to continue to satisfactorily perform the essential duties expected of their position and do not present a safety or health hazard to themselves or other ASSORE employees.

8. HEALTH, SAFETY AND ENVIRONMENTAL RESPONSIBILITY

8.1 Health and safety

8.1.1 ASSORE is committed to ensuring a safe work environment for all Applicable Persons.

8.1.2 Applicable Persons who become aware of circumstances relating to ASSORE's operations or activities which pose an actual or potential health or safety risk must report such risk to an ASSORE health and safety representative or in accordance with the procedures set out in paragraph 14 of this Code. It is a contravention of this Code for Applicable Persons to report these circumstances directly to regulatory or government bodies before reporting these circumstances to an ASSORE health and safety representative and allowing such person sufficient opportunity to address the circumstances satisfactorily.

8.2 Use of resources

8.2.1 ASSORE is committed to conserving resources used in its business operations.

8.2.2 All Applicable Persons should use their best efforts to make efficient use of ASSORE's resources and to re-use and recycle supplies and materials, if practicable.

8.3 Environmental management

8.3.1 ASSORE will address the environmental impact of its business activities on an ongoing basis by integrating pollution control, waste management and rehabilitation activities into its operating procedures.

8.3.2 All Applicable Persons must pay adequate attention to environmental issues.

9. POLITICAL ACTIVITIES

9.1 ASSORE respects the right to privacy with regard to personal political activity of ASSORE employees and acknowledges their entitlement to personal participation in political activity, provided that there is no disruption in the carrying out by ASSORE employees of their responsibilities to ASSORE.

9.2 ASSORE does not entertain requests for the donation of funds, goods, services or the use of ASSORE's facilities for the benefit of political parties or their activities.

10. ADMINISTRATION OF FUNDS AND ASSETS

10.1 ASSORE has developed and implemented policies and procedures to safeguard its assets and to prevent fraud and dishonesty.

10.2 If any Applicable Person becomes aware of any information to the effect that any funds or assets of ASSORE may have been used in a fraudulent or improper manner, they must immediately report this in accordance with the procedure set out in paragraph 14 of this Code.

11. RECORDS

Books and records of ASSORE must reflect all business transactions in an accurate and timely manner. Undisclosed or unrecorded revenues, expenses, assets or liabilities are not permitted and, in this regard, those ASSORE employees that are responsible for accounting and record-keeping functions are expected to be particularly diligent in enforcing proper accounting and record-keeping practices.

12. DEALING WITH STAKEHOLDERS AND OTHER PARTIES

12.1 Prompt communications

12.1.1 ASSORE strives to achieve complete, accurate and timely communications with all of its stakeholders, which include shareholders, employees, customers, joint-venture partners, host communities, local and national government, parastatal entities, contractors and non-governmental organisations.

12.1.2 A prompt, courteous and accurate response must be provided to all reasonable requests for information made by stakeholders of ASSORE. Any complaints should be dealt with in accordance with the procedures established by ASSORE and any applicable laws.

12.2 Media relations

12.2.1 ASSORE's policy on dealing with the media and the general public requires that these issues be dealt with by ASSORE's senior management in consultation with the CEO.

12.2.2 ASSORE may be requested, from time to time, to express its views to the media on issues pertaining to its business. Subject to not being permitted to make share-price sensitive statements and provide information as to price expectations of products that are marketed by ASSORE, Applicable Persons who are approached by the media must refrain from making any statements that do not fall directly within their areas of expertise and responsibility and must immediately bring such matters to the attention of the person to whom they report or the CEO.

12.2.3 All Applicable Persons, when dealing with anyone outside ASSORE, including public officials, may not compromise the integrity or damage the reputation of any individual, business, or government body, or that of ASSORE. Therefore,

Applicable Persons should exercise discretion when using social media platforms, whether linked to Assore, or in their personal capacity.

13. CONFIDENTIALITY OF INFORMATION

13.1 The Applicable Persons must observe the following principles in regard to safeguarding and maintaining the confidentiality of information:

13.1.1 Safeguarding Information

Information must be retained for so long as it is required by ASSORE or by law and such information must be protected and kept confidential.

13.1.2 Access to Information

Information in respect of:

13.1.2.1 any confidential product, plan or business transaction of ASSORE; or

13.1.2.2 personal information of any Applicable Person, must not be disclosed by any Applicable Person unless written approval for such disclosure has been obtained from ASSORE and from the person(s) whose personal information is to be disclosed. This includes the use of social media platforms.

14. CONTRAVENTION OF THE CODE

- 14.1 Any contravention of this Code is a serious matter and, in the case of ASSORE employees, may result in disciplinary action (refer Annexure B), including termination of employment and, in the case of the Applicable Persons, may, in certain circumstances, result in civil or criminal proceedings being brought against the individual concerned.
- 14.2 Any suspected or alleged contravention of this Code that is under investigation must be treated with the utmost confidentiality.
- 14.3 If an Applicable Person becomes aware that their actions have, may have contravened or may contravene this Code, they must report this to the Group Human Resources Manager, or in the case of mining operations, the General Manager of the relevant operation, as appropriate.
- 14.4 If an Applicable Person is aware of, or suspects that another Applicable Person has contravened this Code, they must not confront the individual concerned but must utilise either one of the procedures below:
- 14.4.1 promptly and confidentially report such contravention or suspected contravention to the person to whom they report or to the Group Human Resources Manager, or in the case of mining operations, the General Manager of the relevant operation, as appropriate; or
- 14.4.2 if the Applicable Person does not feel comfortable in reporting such contravention or suspected contravention of this Code as set out in paragraph 14.4.1, such Applicable Person should utilise ASSORE's "whistleblowers" facility, where appropriate, which can be accessed on telephone number 0800 [xxxxxx] or log a complaint on the Company's whistle-blowing facility's website – www.whistleblowers.co.za. The "whistleblowers" facility ensures anonymity.

15. THE IMPLEMENTATION OF THIS CODE

15.1 Each subsidiary or other company or division of ASSORE must:

15.1.1 monitor and enforce this Code; [King IV, principle 2, paragraph 8]

15.1.2 communicate and consult with ASSORE employees in the relevant company, division or subsidiary of ASSORE regarding standards of ethical behaviour and compliance procedures; and [King IV, principle 2, paragraph 7a and c]

15.1.3 enforce discipline in regard to breaches of guidelines relating to unethical behaviour.

16. REPORTING AND EXTERNAL ASSURANCE

16.1 The chairman of ASSORE's Social and Ethics committee (SEC) must arrange for a written report on the ethics performance of ASSORE to be prepared to and submit such report to ASSORE's board of directors for its consideration. Such report should refer to the relevant principles of King IV and must include, but not be limited to, the following information:

16.1.1 a summary of ASSORE's ethics risk identification and assessment process;

16.1.2 the extent to which the provisions of this Code have been integrated into ASSORE's business strategies and day-to-day operations, including the steps which ASSORE has taken to familiarise the Applicable Persons with the provisions of this Code and other applicable policies;

16.1.3 the steps which ASSORE has taken to implement the Code;

- 16.1.4 an evaluation of the adequacy and the effectiveness of ASSORE's policies referred to in this Code and the principles contained in King IV.
- 16.1.5 any recommendations regarding the improvement of ASSORE's ethical culture.
- 16.2 As part of its integrated reporting, the Board must report to the shareholders of the Company in ASSORE's Integrated Annual Report ("IAR") on the ethics performance of ASSORE in terms of material non-compliance with this Code.
- 16.3 The effectiveness of the systems and processes underpinning ASSORE's ethics performance and the information provided in ASSORE's IAR may be verified by an independent external assessor. If no such verification is performed, this fact will be stated in the IAR. [King IV, principle 2.10]

17. GENERAL

This Code must be reviewed annually and amended where required in order to take account of changes in applicable laws and regulations and changes in the business of ASSORE.

Annexure A

List of subsidiary companies of Assore Limited

African Mining and Trust Company Limited

Ceramox Proprietary Limited

Dwarsrivier Chrome Mine Proprietary Limited

Erf 1263 Parkview Extension 1 Proprietary Limited

Group Line Projects Proprietary Limited

Ore & Metal Company Limited

Rustenburg Minerals Development Company Proprietary Limited

Wonderstone Limited

Zeerust Chrome Mines Limited

Annexure B

ASSORE HEAD OFFICE

Disciplinary Policy and Procedure

1 Introduction:

- 1.1 It is Management's responsibility to establish fair and equitable standards of conduct and performance consistent with the specific requirements of the industry and the business requirements of the Assore Group; and employees have the right to expect fair, just and consistent treatment.
- 1.2 The company requires that all employees observe the Disciplinary Policy and Procedure and Code. Given the nature of its industry and the Group business requirements, the standard of personal conduct and self-discipline required of our employees is extremely stringent. In particular, loyalty, integrity and teamwork are valued within the Group and all employees are required to have special regard to the Group's standards in this regard.
- 1.3 The provisions of:
 - 1.3.1 The Disciplinary Regulations, Procedure and Code outlined herein are to be used by Management whenever the conduct or capacity in respect of work performance of any employee is deemed by Management to be unacceptable or undesirable.
 - 1.3.2 The Code of Good Practice contained in Schedule 8 of Labour Relations Act 66 of 1995 (LR Act) shall apply in respect of dismissals for the incapacity of an employee arising from ill health or injury.
- 1.4 This disciplinary procedure shall apply equally to all employees of the Company.
- 1.5 The disciplinary procedures set out hereunder shall, at all times, be subject to the requirements of the (LRA) including its Code of Good Practice.

2 Primary Objective

- 2.1 The primary objective of the disciplinary procedure is:
 - 2.1.1 To ensure the maintenance of satisfactory work performance and/or acceptable standards of conduct by all employees.
 - 2.1.2 To ensure that employees are treated fairly and consistently and any disciplinary action is effected for a fair reason and in accordance with a fair procedure.
 - 2.1.3 To ensure that discipline is based on the philosophy of discouraging and/or correcting unacceptable conduct and/or unsatisfactory performance and getting the employee involved in changing such conduct or performance.

3 General Principles

- 3.1 Having regard to the particular circumstances of each individual case, and except where exceptional circumstances prevail (e.g. a hearing in absentia due to an employee's refusal to attend), no employee shall be disciplined without being afforded the opportunity of stating their case.
- 3.2 Except in instances where the sanction contemplated is dismissal, according to the disciplinary code, formal disciplinary procedures do not have to be invoked every time a standard of conduct or performance is breached. Written or final written warnings can be issued subsequent to an informal hearing, counselling or grievance hearing should circumstances warrant this.
 - 3.2.1 Informal hearings and counselling are often the best and most effective way to deal with minor violations of conduct and performance.
 - 3.2.2 Formal disciplinary procedures should, in normal circumstances, only be initiated against an employee for poor work performance if such disciplinary action is preceded by appropriate evaluation, instruction, training, guidance or counseling and the employee has been given a reasonable opportunity to improve their work performance. **(See Appendix C).**
- 3.3 Where formal disciplinary procedures are involved against an employee, every employee shall have the right to:
 - 3.3.1 Be represented by an employee from the workplace at which he is employed. However, it is their duty to arrange for such representation. Representation by non-employees will not be allowed.
 - 3.3.2 Be notified in writing of the charge(s) in advance of the disciplinary hearing, thereby affording the employee and their representative an opportunity to prepare for the disciplinary hearing.
 - 3.3.3 All hearings will be conducted in English but the employee has the right to request an interpreter. It is the duty of the Company to provide an interpreter.
 - 3.3.4 Be allowed to state their case, and defend themselves, both in respect of the allegations or charges as well as in mitigation of sanction.
 - 3.3.5 Call witnesses, however, it is the employees' responsibility to arrange for the attendance of such witnesses at the hearing. A hearing will not be postponed more than once due to a lack of employee witnesses.
 - 3.3.6 Cross-examine any Company witnesses, or be provided with copies of any documents produced as evidence at the hearing.
- 3.4 Once the hearing has been completed and sanction has been communicated, the employee has the right to be:
 - 3.4.1 Notified in writing of the outcome of the disciplinary hearing.
 - 3.4.2 Appeal to a higher authority/level of management in accordance with the Appeal Procedure set out hereunder.

- 3.4.3 Entitled to all documentary evidence and statements presented as evidence at the disciplinary hearing.
- 3.5 Where an employee refuses or fails to attend a disciplinary hearing, the disciplinary hearing may be held in their absence without further notice to the employee concerned.
- 3.6 A record of the proceedings will be kept by a person appointed or nominated by the Chairperson. This record is for management use only and should the employee wish to make a recording, they will have to make their own arrangements.

4 Disciplinary Action

The primary purpose of disciplinary procedures is to encourage employees to correct their conduct or performance and/or to discourage employees from breaching required standards of conduct and/or performance.

- 4.1 Disciplinary hearings can result in one of the following five forms of disciplinary sanctions which can be taken against any employee, namely:

- 4.1.1 Verbal warning;
- 4.1.2 Written warning;
- 4.1.3 Final written warning;
- 4.1.4 Dismissal with notice;
- 4.1.5 Dismissal without notice (summary dismissal)

In the case of 4.1.4 and 4.1.5 above, a formal disciplinary hearing is required, 4.1.1 to 4.1.3 can be the result of an informal hearing. (See 3.2 above)

- 4.2 Disciplinary warnings shall remain operative for a period of six (6) or twelve (12) months from the date of issue depending on the nature of the offence and whether it is a repeat offence.
- 4.3 The sanction imposed shall be entirely at the discretion of the Chairperson who may impose other forms of disciplinary action as an alternative to dismissal, for example suspension without pay, demotion (in salary and status) for poor work performance, or extended final written warnings.
- 4.4 In determining an appropriate sanction, the Chairperson shall have regard to the Company's consistent application of sanctions for such offence or breach of a work performance standard, as well as the principle of flexibility. (See Disciplinary Code, **Appendix B**)
 - 4.4.1 In applying the principle of flexibility, the Chairperson shall have regard to aggravating and mitigating circumstances in respect of the following:
 - a) The seriousness of and particular circumstances surrounding the breach of the standard;
 - b) The interests and personal circumstances of the employee, such as their disciplinary or work record and their length of service;
 - c) The interests of the Company and the particular requirements of the industry and business;

- d) The primary purpose of disciplinary action should be corrective and progressive in nature, except where the transgression is found to be of a serious nature.

5 Disciplinary Records

The Company shall keep records (minutes, sanction letters, hearing checklists etc ...) for each employee specifying the nature of any disciplinary transgressions, the action taken by the Company and the reasons for the actions.

Should the employee or their representative require copies of these records, it is their responsibility to request these in writing. If no such request is forthcoming, the records concerned will not be released.

6 Suspension prior to the Disciplinary Hearing

- 6.1 The Company shall have the right to suspend an employee with pay prior to the determination of disciplinary action where, in the opinion of management, an offence by an employee is regarded as serious, and/or that the continued presence of the employee at the Company's premises may prejudice the interests of the Company, the employee, other employees, or hamper the investigation concerned.

7 Rules and Regulations

- 7.1 The Company is responsible for ensuring that expected standards of conduct and/or performance are made clear to employees.
- 7.2 The Rules and Regulations established by the Company, as amended from time to time, are not exhaustive in nature, and merely serve as a guideline to managers and employees as to what constitutes acceptable conduct and performance. Certain rules or standards may be so well established and known that it is not necessary to communicate them in writing.

8 Disciplinary Hearing

- 8.1 Disciplinary action shall be initiated against an employee when an employee is issued with a Notice to attend a Disciplinary Hearing which notice shall be issued at least 3 days before the scheduled time of the hearing.
- 8.2 The disciplinary hearing shall be presided over by a member of management or a competent, independent outside person authorised by the company to Chair the meeting. This person will recommend appropriate action to be taken by management.
- 8.3 The disciplinary hearing shall be conducted in accordance with the general principles and time limits set out in clauses 3 and 10 hereof, in particular:
 - 8.3.1 During the disciplinary hearing, the Company must present its case and evidence against the employee and may call witnesses to substantiate its case. The employee shall then have the right to state, or have their representative state, their case and to call witnesses. Both the

Company and the employee will be entitled to cross-examine any witnesses during the proceedings.

8 Disciplinary Hearing/ continued

- 8.3.2 Once all evidence and arguments have been presented, the Chairperson must first give a finding in respect of the charge and thereafter, the Chairperson will hear evidence from the Company and from the employee in order to determine the nature of the disciplinary action to be taken, (mitigation or aggravation) if any, in accordance with clause 4 hereof.
- 8.4 The Chairperson shall communicate the findings of the hearing to the employee in writing.
- 8.5 The Chairperson shall clearly inform the employee of their right to appeal and the steps involved as well as the employee's rights to declare a dispute at CCMA as a possible alternative should the employee have no intention to appeal.

9 Appeal Hearing

- 9.1 Any employee has the right to appeal against any disciplinary action taken against them.
- 9.2 Should an employee appeal against the finding of the disciplinary hearing, such appeal must be lodged with the Group HR Manager in writing clearly stating the grounds for the appeal.
- 9.3 Appeal hearings may be heard by a manager or a competent independent person nominated by the Company. The decision to hear an appeal will be reliant on the veracity of the grounds given for the appeal.
- 9.3 Any employee has the right to appeal against any disciplinary action taken against them.
- 9.4 Notice of such appeal shall be in writing and in accordance with the time limits set out in this procedure.
- 9.5 The appeal hearing shall be conducted in accordance with the general principles and time limits set out in clauses 3 and 10 hereof, in particular:
 - 9.5.1 During the appeal hearing, the appellant must present its case, stating the nature and grounds for the appeal, and lead evidence or argument in this regard. The appellant shall have the right to state or have its representative state its case and to call witnesses. The Company shall then have the opportunity to state its case and call and cross examine witnesses. It must be clear that the appeal is not a re-hearing of the original hearing but shall take the form of a review of the previous Chairman's decision, only the grounds for the appeal and if any, new evidence shall be heard by the appeal Chairman.
 - 9.5.2 The Chairman shall then determine the merits of the appellant's appeal and communicate the decision to the employee in writing. If the employee remains dissatisfied with the outcome, a dispute may be declared at the CCMA within 30 days of the appeal result being made known.

10 Time Limits

- 10.1 The following schedule constitutes a guide as to the time limits within which the various stages of the disciplinary procedure are to be initiated. The time limits are in no way prescriptive and may be varied having regard to the particular circumstances of each case, subject to the requirements of fairness and reasonableness.
- 10.2 Time Schedule: **(See Appendix A).**

Approved by: CJ Cory

Date: 10 May 2017

Note: Appendices to this policy and procedure are not maintained as part of the Code of Ethics

Annexure C – declaration of gifts form



ASSORE LIMITED
DECLARATION OF GIFTS (in excess of R300.00)

Name of Employee: _____ Date: _____

Gift being offered (full description): _____

Estimated value of gift: _____

Received from = Name: _____

= Relationship: _____

Motivation for acceptance of gift: _____

Signed: _____

Approved: _____ Date: _____

Director

Rejected: _____ Date: _____

Director

Once completed, this form to be filed by the HR Department

Annexure D

**ASSORE LIMITED
DEALING IN SHARES BY DIRECTORS AND EMPLOYEES
REQUEST FOR CLEARANCE TO DEAL**



Surname :

First names :

Designation / Association :

Nature of transaction :
(e.g. purchase / sale)

Date of transaction :

Price :

Number of shares :

.....

Total value : _____

Nature of Interest : _____
(e.g. direct / indirect / beneficial
/ non-beneficial)

Draft SENS announcement in terms : _____
Of JSE Rule 3.66 i.r.o directors and their
associates (refer notes below)

SIGNATURE OF APPLICANT:

Date

CLEARANCE GRANTED:

Date

Notes:

- 1. Directors includes an associate (Rule 3.63 (a) (i) & (ii))
- 2. Associate is defined as an individual's immediate family (Defn pg 1)

3. Directors and associates are collectively referred to as directors for purposes of SENS announcements (Rule 3.6.3 (a) (iii))


